

KENTUCKY AGRI-NEWS



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FEATURING : ★ CROP PRODUCTION ★ FARM PRODUCTION EXPENDITURES
 ★ DAIRY PRODUCTS

CROP PROSPECTS FAVORABLE FOR KENTUCKY FARMERS

U.S. HIGHLIGHTS

Corn production was forecast at 9.27 billion bushels, down 7 percent from last year and 2 percent from 1999.

Corn yields are expected to average 133.9 bushels per acre, down 3.2 bushels from last year.

Soybean production was forecast at a record high 2.87 billion bushels, up 4 percent from 2000, and 8 percent from 1999.

Soybean yields are expected to average 38.7 bushels per acre, up 0.6 bushel from 2000. This is the third highest yield behind 38.9 bushels per acre in 1997 and 1998.

Eight-State Burley Belt production was forecast at 363.5 million pounds, virtually unchanged from a year ago.

Apple production was forecast at 9.62 billion pounds, down 10 percent from both 2000 and 1999.

the previous year, and the highest average yield since 1994. Blooming and topping progress is running very close to last year and ahead of the 5 year average. Black shank and blue mold are a concern in some areas of the State.

Corn production was projected at 148.7 million pounds, down 7 percent from the previous year. Acres harvested for grain was forecast at 1.18 million, down 4 percent from a year ago. Yield was forecast at 126 bushels per acre compared with 130 bushels in 2000. Despite dry weather early in the season, development of the current crop is ahead of last year and the average.

Soybean production was forecast at 45.9 million bushels, slightly less than the 46.0 million bushels produced in 2000. Yield was projected at 37.0 bushels per acre, down 2 bushels from the record high yield set in 2000. Harvested acres, at 1.24 million was 5 percent above last year. Recent rainfall has improved crop prospects and the crop is developing rapidly, ahead of both last year and the average.

Hay production was expected to be lower than last years bumper crop. Dry weather early in the season slowed growth and allowed heavy insect infestation in some areas. **Alfalfa** yields are projected at 3.8 tons per acre compared to 3.9 tons a year ago. Harvested acreage was unchanged from last year at 250,000 acres. **Other hay** yield was forecast at 2.1 tons per acre compared to 2.4 tons last year. Acres harvested was unchanged from the 2000 level of 2.20 million acres.

Apple production was projected to be 8.0 million pounds, up from 6.5 million pounds a year ago. A late freeze damaged the crop in some areas while other producers are expecting a good apple crop.

KENTUCKY

Growing conditions overall have been good for Kentucky farmers. Despite localized problems with drought early in the season, most crops appear to be doing well. Anticipated corn and soybean yields for 2001 are not expected to equal the record and near record yields of the 2000 season, but the crops for 2001 are good.

Burley tobacco production as of August 1 was forecast at 247.3 million pounds, 2 percent above the previous year. An increase in the effective quota that farmers can sell contributed to the increased production. Current production estimates are 6 percent above the effective quota of 233 million pounds. Acres for harvest are estimated at 115,000, down 5,000 from a year earlier. Yield was estimated at 2,150 pounds, up 125 pounds from

CROP PRODUCTION

CROP SUMMARY, AUGUST 1 KENTUCKY AND UNITED STATES

CROPS	UNIT	ACREAGE HARVESTED		YIELD PER ACRE		PRODUCTION		
		2000	2001	2000	2001	2000	2001	
			Indicated		Indicated		Indicated	% of '00
		(Thousand)				(Thousand)		
KENTUCKY								
Corn for Grain	Bu.	1,230	1,180	130.0	126.0	159,900	148,680	93
Soybeans for beans	Bu.	1,180	1,240	39.0	37.0	46,020	45,880	100
Hay:								
All	Ton	2,450	2,450	2.55	2.27	6,225	5,570	89
Alfalfa	Ton	250	250	3.90	3.80	975	950	97
All other	Ton	2,200	2,200	2.40	2.10	5,280	4,620	88
Tobacco:								
All	Lbs.	132.70	125.70	2,133	2,213	283,065	278,205	98
Burley	Lbs.	120.00	115.00	2,025	2,150	243,000	247,250	102
Type 22 E. Fired	Lbs.	4.10	3.30	3,150	2,700	12,915	8,910	69
Type 23 W. Fired	Lbs	3.80	3.10	3,400	3,300	12,920	10,230	79
Type 35 One Sucker	Lbs.	3.10	2.80	3,000	2,800	9,300	7,840	84
Type 36 Green River	Lbs.	1.70	1.50	2,900	2,650	4,930	3,975	81
All Wheat	Bu.	420	340	57.0	65.0	23,940	22,100	92
Commercial Apples	Lbs.					6,500	8,000	123
UNITED STATES								
Corn for Grain	Bu.	72,732	69,191	137.1	133.9	9,968,358	9,266,397	93
Soybeans for Beans	Bu.	72,718	74,137	38.1	38.7	2,769,665	2,867,474	104
Sorghum for Grain	Bu.	7,723	8,777	60.9	62.0	470,070	544,138	116
Hay:								
All	Ton	59,854	63,833	2.54	2.48	152,183	158,241	104
Alfalfa	Ton	23,077	23,750	3.48	3.38	80,347	80,166	100
All Other	Ton	36,777	40,083	1.95	1.95	71,836	78,075	109
Tobacco:								
All	Lbs.	472.43	451.29	2,229	2,230	1,052,998	1,006,201	96
Burley	Lbs.	185.40	174.90	1,957	2,078	362,788	363,499	100
Type 22 E. Fired	Lbs.	11.80	9.40	2,896	2,700	34,167	25,380	74
Type 23 W. Fired	Lbs.	4.44	3.60	3,360	3,258	14,920	11,730	79
Type 35 One Sucker	Lbs.	3.78	3.42	2,901	2,727	10,966	9,328	85
Type 36 Green River	Lbs.	1.70	1.50	2,900	2,650	4,930	3,975	81
All Wheat	Bu.	53,028	49,331	41.9	40.2	2,223,440	1,984,575	89
Commercial Apples	Lbs.					10,648,700	9,615,400	90

PRODUCTION EXPENDITURES UP 2.4 PERCENT IN 2000

U.S. farm production expenditures totaled \$188.5 billion in 2000, up 2.4 percent from the revised 1999 total of \$184.1 billion. The largest contributors to the increase were; fuels, up 32.0 percent; farm improvements and construction, up 18.0 percent; livestock and poultry purchases, up 7.1 percent; and other farm machinery up 2.9 percent. These increases were partially offset by decreases in; farm supplies and repairs, down 1.6 percent; farm services, down 1.2 percent; and ag chemicals down 1.2 percent. The largest two expenditure categories were farm services which accounted for 13.5 percent of the U.S. total production expenses, and feed which accounted for 13.0 percent of the U.S. total production expenses. The farm services category includes expense items such as custom work, utilities, marketing charges, veterinary services, transportation costs, and miscellaneous business expenses.

The average expenditures per U.S. farm in 2000 were \$87,035 compared to \$84,195 as revised for 1999. On the average, U.S. farm operations in 2000 spent \$11,728 on farm services; \$11,312 on feed; \$9,142 on labor; \$8,311 on livestock and poultry purchases; and \$7,434 on rent. Revised estimates for 1999 indicated that U.S. farms spent an average of \$11,757 on farm services; \$11,208 on feed; \$9,012 on labor; \$7,685 on livestock and poultry purchases; and \$7,274 on rent.

The Farm Production Region contributing most to the total 2000 U.S. farm production expenditures was the Corn Belt with expenses of \$35.3 billion, 18.7 percent of the U.S. total. Expenditures in the Corn Belt were up 3.0 percent from the 1999 level of \$34.3 billion. In total expenditures, the Corn Belt was followed by the Pacific Region at \$31.2 billion (1999 - \$30.9 billion); Northern Plains \$24.2 billion (1999 - \$23.2 billion); Lake States \$19.4 billion (1999 - \$18.3 billion); and the Southern Plains at \$16.0 billion (1999 - \$15.9 billion).

APPALACHIAN REGION

Farm production expenditures for 2000 totaled \$13.9 billion for KY, NC, TN, VA, and WV. This was down 2 percent from 1999. The Appalachian Region accounted for 7.4 percent of the U.S. total expenditures. The five largest expense items for the Appalachian Region were feed, farm services, livestock, poultry and related expenses, labor and farm supplies and repairs. These five items accounted for 59 percent of total expenditures for 2000. The item that saw the largest increase from 1999 was fuels that increased 26 percent.

FARM PRODUCTION EXPENDITURES - 1999 AND 2000

EXPENDITURE - FARM SHARE	APPALACHIAN REGION <u>1/</u>					UNITED STATES <u>2/</u>				
	Average		Total Expenditures			Average		Total Expenditures		
	per Farm <u>3/</u>					per Farm <u>3/</u>				
	1999	2000	1999	2000	'00 % of '99	1999	2000	1999	2000	'00 % of '99
	Dollars		Million Dollars		(%)	Dollars		Million Dollars		(%)
Total Farm Production Expenditures <u>4/</u> <u>5/</u>	45,784	45,351	14,170	13,900	98	84,195	87,035	184,050	188,500	102
Livestock, Poultry & Related Expenses <u>6/</u>	5,008	5,155	1,550	1,580	102	7,685	8,311	16,800	18,000	107
Feed	9,790	9,625	3,030	2,950	97	11,208	11,312	24,500	24,500	100
Farm Services <u>7/</u>	5,557	5,318	1,720	1,630	95	11,757	11,728	25,700	25,400	99
Rent <u>8/</u>	2,585	2,382	800	730	91	7,274	7,434	15,900	16,100	101
Agricultural Chemicals <u>9/</u>	1,648	1,501	510	460	90	3,934	3,925	8,600	8,500	99
Fertilizer, Lime & Soil Conditioners <u>9/</u>	2,520	2,431	780	745	96	4,529	4,617	9,900	10,000	101
Interest	2,084	1,990	645	610	95	4,895	5,033	10,700	10,900	102
Taxes (Real Estate & Property)	1,147	1,207	355	370	104	3,111	3,186	6,800	6,900	101
Labor	3,942	3,785	1,220	1,160	95	9,012	9,142	19,700	19,800	101
Fuels	1,389	1,762	430	540	126	2,425	3,232	5,300	7,000	132
Farm Supplies & Repairs	2,746	2,708	850	830	98	5,764	5,725	12,600	12,400	98
Farm Improvements & Construction <u>11/</u>	1,809	1,892	560	580	104	3,248	3,878	7,100	8,400	118
Tractors & Self-Propelled Farm Machinery	1,729	1,811	535	555	104	2,470	2,493	5,400	5,400	100
Other Farm Machinery	1,066	1,044	330	320	97	1,601	1,662	3,500	3,600	103
Seeds & Plants <u>12/</u>	1,292	1,240	400	380	95	3,294	3,371	7,200	7,300	101
Trucks & Autos	1,357	1,436	420	440	105	1,784	1,847	3,900	4,000	103

1/Appalachian: KY, NC, TN, VA, WV. 2/Excludes AK and HI. 3/Total expenditures divided by total number of farms. 4/Total includes production costs not allocated to any of the 16 expense categories published. 5/Includes landlord and contractor share of farm production expenses. 6/Includes purchases and leasing of livestock and poultry. 7/Includes all crop custom work, veterinary services, custom feeding, transportation costs, marketing charges, insurance, leasing of machinery and equipment, miscellaneous business expenses, and utilities. 8/Includes public and private grazing fees. 9/Includes material and application costs. 10/Includes bedding and litter, marketing containers, power farm shop equipment, miscellaneous non-capital equipment and supplies, repairs and maintenance of livestock and poultry equipment, and capital equipment for livestock and poultry. 11/Includes all expenditures related to new construction or repairs of buildings and fences and any improvements to physical structures of land. 12/Excludes bedding plants, nursery stock, and seed purchased for resale. Includes seed treatment.

**U.S. PRODUCTION EXPENDITURES
BY ECONOMIC CLASS GROSS SALES - 2000 1/**

GROSS SALES	AVERAGE EXPENDITURE PER FARM	TOTAL EXPENDITURE	PERCENT OF TOTAL U.S. EXPENDITURE
	Dollars	Million Dollars	(%)
\$250,000+	735,495	107,750	57
\$100,000 - 249,999	174,702	35,150	19
\$40,000 - 99,999	78,925	18,350	10
\$10,000 - 39,999	34,015	14,140	7
Less than \$10,000	11,206	13,110	7

1/ Excludes AK and HI.

U. S. DAIRY PRODUCTS, JUNE 2001

PRODUCT	June 2000	May 2001 1/	June 2001	Percent of June 2000	May 2001
	(000) Pounds			Percent	
BUTTER	89,140	109,074	88,125	99	81
CHEESE					
American Types 2/	308,582	309,835	307,844	100	99
Mozzarella	221,418	229,997	223,361	101	97
All Other Types 3/	165,734	169,000	152,426	92	90
Total	695,734	708,832	683,631	98	96
	(000) Gallons			Percent	
FROZEN PRODUCTS					
Ice Cream (Hard)	87,745	78,894	83,847	96	106
Frozen Yogurt (Total)	8,262	8,060	7,992	97	99
MIX FOR FROZEN PRODUCTS					
Ice Cream Mix	50,628	46,347	49,507	98	107
Yogurt Mix	4,782	4,741	4,701	98	99

1/ Revised. 2/ Includes Cheddar, Colby, Monterey, and Jack. 3/ Includes Swiss, cream and all other types. Excludes cottage cheese.

Internet Access: Kentucky Agricultural Statistics Service (KASS) data including this report are available free of charge on our Internet homepage located at <http://www.nass.usda.gov/ky>. Links to the Kentucky Department of Agriculture, the University of Kentucky Agricultural Weather Center and other web sites related to Kentucky Agriculture are also included. National & State reports and data are available on the National Agricultural Statistics Service (NASS) homepage located at <http://www.usda.gov/nass/>

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